STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

PEOPLES NATURAL GAS COMPANY, DIVISION OF UTILICORP UNITED, INC.

DOCKET NO. WRU-99-13-225 (WRU-96-7-225)

ORDER EXTENDING PILOT PROJECT AND REQUIRING REPORTS

(Issued May 6, 1999)

On May 22, 1996, the Utilities Board (Board) issued an "Order Approving Pilot Project with Modification and Denying Petition to Intervene" in Docket No. WRU-96-7-225. The order waived portions of IOWA ADMIN. CODE 199-19.3(7) and (8) which require utilities to schedule monthly meter readings and approved a bimonthly meter reading pilot program, with modifications, proposed by Peoples Natural Gas Company (Peoples), Division of UtiliCorp United Inc. Under the pilot program, Peoples performed bimonthly natural gas meter readings for all residential customers during the six months beginning May 1 and ending October 31 of 1996 and 1997. On April 20, 1998, the Board extended the project for the six months beginning May 1, 1998, and ending October 31, 1998.

On April 9, 1999, Peoples filed a request to continue the bimonthly meter reading project on a permanent basis. In the alternative, Peoples requested the Board grant it an extension for 1999. The request was identified as Docket No. WRU-99-13-225. On April 28, 1999, the Consumer Advocate Division of the

Department of Justice (Consumer Advocate) filed a response to Peoples' request.

Consumer Advocate stated it did not object to Peoples' request to continue the project in 1999. However, Consumer Advocate objected to the proposal to permanently waive the meter reading requirements.

The Board will deny Peoples' request for a permanent waiver of the requirements of IOWA ADMIN. CODE 199-19.3(7) and (8). However, the Board will grant an extension of the pilot project on the same terms and conditions contained in the Board's May 22, 1998, order in Docket No. WRU-96-7-225. Reading residential customers' gas meters on a bimonthly basis during these six months, when gas usage is generally low, reduces costs and does not appear to have generated many customer complaints. The Board will require Peoples to file an information report for 1999 containing the same information as prior reports on or before December 31, 1999.

IT IS THEREFORE ORDERED:

- 1. The request to extend the bimonthly meter reading pilot program filed by Peoples Natural Gas Company, Division of UtiliCorp United Inc., on April 9, 1999, identified as WRU-99-13-225, is granted in part and denied in part.
- 2. The request to extend the bimonthly meter reading pilot program on a permanent basis is denied. The request to extend the bimonthly meter reading pilot program for 1999 is granted.

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3. Peoples shall file a report for 1999 on or before December 31, 1999.

UTILITIES BOARD

	<u>/s/ Allan T. Thoms</u>
ATTEST:	<u>/s/ Susan J. Frye</u>
_/s/ Raymond K. Vawter, Jr Executive Secretary	

Dated at Des Moines, Iowa, this 6th day of May, 1999.